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BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
PRIORITY MAIL CONTRACT 146 (MC2016-3)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2016-3

NOTICE OF UNITED STATES POSTAL SERVICE OF CHANGE IN PRICES PURSUANT TO AMENDMENT TO PRIORITY MAIL CONTRACT 146 (February 12, 2016)

The Postal Service hereby provides notice that prices under Priority Mail

Contract 146, in the above-captioned proceeding, have changed as contemplated by
the contract's terms. A redacted version of the amendment to Priority Mail Contract 146
is provided in Attachment A, and the unredacted amendment is being filed under seal.

The amendment will become effective one business day after the day that the

Commission completes its review of this filing.

The Postal Service is also filing supporting financial documentation and a certified statement as required by 39 C.F.R. § 3015.5. The certified statement required by 39 C.F.R. § 3015.5(c)(2) is provided in Attachment B. A redacted version of the supporting financial documentation is included with this filing as a separate Excel file. The Postal Service's original application for non-public treatment in this docket is hereby incorporated by reference for the protection of these materials.

Respectfully submitted,

UNITED STATES POSTAL SERVICE By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Pricing and Product Support

Elizabeth A. Reed

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ATTACHMENT A REDACTED AMENDMENT TO PRIORITY MAIL CONTRACT 146

AMENDMENT OF SHIPPING SERVICES CONTRACT BETWEEN

THE UNITED STATES POSTAL SERVICE

AND

REGARDING PRIORITY MAIL SERVICE

WHEREAS, the United States Postal Service ("the Postal Service") and ("Customer") entered into a shipping services contract regarding Priority Mail service on September 28, 2015.

WHEREAS, the Parties desire to replace Sections I.E, I.G and I.H in their entirety.

NOW, THEREFORE, the Parties agree that the contract is hereby amended as detailed below. The existing contract remains unchanged in all other respects. This amendment shall become effective one business day following the day on which the Commission issues all necessary regulatory approval.

[Replace Sections I.E, I.G and I.H in their entirety, as follows:]

I. Terms

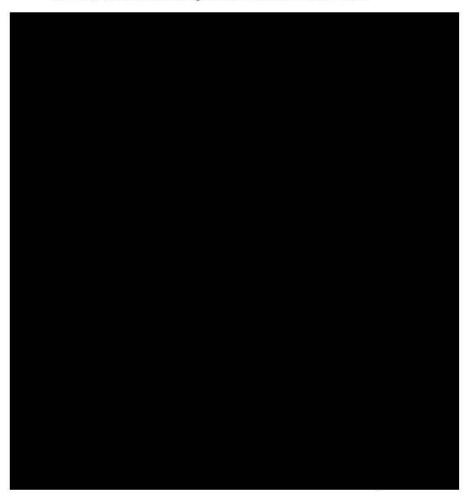
E. The terms and prices contained herein will take effect on the effective date of this amendment. The Contract Quarters are defined below in Table A:

Table A

Period Name	Start of Period	End of Period
Quarter 1	October 1st	December 31st
Quarter 2	January 1st	March 31st
Quarter 3	April 1st	June 30 th
Quarter 4	July 1st	September 30 th

- G. Contract Prices. From the effective date of this amendment, Customer shall receive tiered discounted prices for Contract Packages based on Customer's total number of Contract Packages shipped per Contract Quarter, as follows:
 - Implementation Period. From the effective date of the amendment until March 31, 2016 ("Implementation Period"), Customer shall receive the Tier 2 discounted prices in Table F below.

- Following the Implementation Period, applicable discounted prices will be based on Customer's volume of Contract Packages shipped during the previous full Contract Quarter, pursuant to:
 - Table B below for the first Volume Year
 - Table C below for the second Volume Year
 - · Table D below for the third Volume Year
- In any Volume Year, should the volume of Contract Packages in any Contract
 Quarter fall below the minimum volume for Tier 1 for the applicable Volume
 Year, Customer will pay the prevailing Priority Mail Commercial Plus Cubic
 prices on all Contract Packages shipped during the subsequent Contract
 Quarter.
- 4. The Postal Service will monitor Customer's volume of Contract Packages, and, within 15 days after the start of each Contract Quarter, will notify Customer of the applicable tier for that Contract Quarter based on Tables B through H below. Tier price changes will be effective within 15 days after the start of each Contract Quarter. Discounted prices will be calculated by the Postal Service and rounded up to the nearest whole cent.





H. Price Adjustments

Beginning on the first anniversary of the contract's effective date, customized
prices under this contract will be the lesser of i) the previous year's prices plus
the most recent (as of the anniversary date) average increase in prices of general
applicability, as calculated by the Postal Service, for Priority Mail Commercial
Plus Cubic, or ii) the previous year's prices plus

 Customized prices for the subsequent years will be calculated by the Postal Service and rounded up to the nearest whole cent. If the Postal Service maintains or decreases published rates of applicability for Priority Mail Commercial Plus Cubic, there shall be no change to contract pricing for that Contract Year.

IN WITNESS WHEREOF, the Parties hereto have caused this amendment to be duly executed as of the later date below:

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Signed by:	Julice	
Printed Name:	Criff www	
Title:	U? SALES	
Date:	1-20-16	

ATTACHMENT B SIGNED CERTIFICATION

Certification of Prices for Amendment to Priority Mail Contract 146

I, Steven R. Phelps, Manager, Regulatory Reporting and Cost Analysis, Finance Department, am familiar with the prices and terms for the amendment to Priority Mail Contract 146. The amended prices and terms contained in this Contract were established by the Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates (Governors' Decision No. 11-6).

I hereby certify, based on the financial analysis provided herewith, that the amended prices are in compliance with 39 U.S.C § 3633 (a)(1), (2), and (3). They are expected to cover attributable costs. There should therefore be no subsidization of competitive products by market dominant products. The amended contract should not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

Steven R. Phelps